#### Before the

### FEDERAL COMMUNICATIONS COMMISSION

## Washington, D.C. 20554

In the Matter of	)	
	)	
Petition for Reconsideration of a Decision	)	Streamlined Resolution of Requests Related
of the Wireline Competition Bureau	)	to Actions by the Universal Service
by Inglewood Unified School District	)	Administrative Company (DA 16-732;
	)	June 29, 2016)
	)	
Schools and Libraries Universal Service	)	CC Docket No. 02-6
Support Mechanism	)	

### PETITION FOR RECONSIDERATION

Applicant Name: Inglewood Unified School District

Funding Year: 2014 Entity Number: 143494

FCC Form 471 Number: 989411 Funding Request Number: 2700973

In accordance with 47 CFR § 1.106(a)(1), 1.106(b)(1), and 1.106(c)(2), Inglewood Unified School District (IUSD or District) requests reconsideration of a decision of the Wireline Competition Bureau (Bureau), DA 16-732, released June 29, 2016. The District's Invoice Deadline Extension Request waiver petition ("Inglewood Unified School District, CA, Application No. 989411, Request for Waiver, CC Docket No. 02-6 (filed Apr. 21, 2016)") was denied. By way of precedents/explanation, the Bureau cited the Ada Order and the Erate Modernization Order; only the latter is directly relevant in IUSD's case. The Bureau stated in its decision that the Erate Modernization Order established "that it is generally not in the public interest to waive the Commission's invoicing rules absent extraordinary circumstances." IUSD maintains that it has clearly presented a cogent argument that its circumstances were indeed extraordinary – that is, highly exceptional and unlikely to be duplicated. Therefore, the District believes that the Bureau has not fully considered the facts presented or is apparently referencing a (not yet made public) standard or definition of "extraordinary" so demanding that it defeats the

purpose of the Erate program to get funding for technology into the hands of deserving schools and libraries. The District asks the Bureau to reverse its decision and grant the District's waiver request, or alternatively, to pass this petition on to the Commission for consideration.

### **Background:**

IUSD is an urban, disadvantaged K-12 district located just southwest of Los Angeles. Nearly a quarter of residents live in poverty; 78.3% of students qualify for free or reduced price meals. The student population (fall 2014) is 57% Hispanic/Latino and 40.5% African American. Of city residents five years old and above, 51.5% speak a language other than English at home.

At issue is a FY 2014 Funding Request for Voice Services with a funding commitment of \$186,654.36. Early in 2015, IUSD made a good faith attempt to file paperwork with the service provider, AT&T, to select the SPI method of invoicing and begin receiving discounts on bills; this attempt was defeated by employee error and a debilitating injury to the District's Erate consultant. IUSD timely requested a 120-day invoicing deadline extension. Extraordinary circumstances then intervened, and although the District made a second apparently timely effort to file the required paperwork, it was too late for AT&T to meet the extended invoice deadline.

# **Discussion:**

IUSD's circumstances are truly extraordinary and thus worthy of a waiver due to a <u>unique</u> <u>confluence of factors that is unlikely to apply to other applicants</u>, as follows.

- 1. Inglewood USD is in state receivership only the ninth district in California to be so. It is striving to right its finances and regain the trust of its community.
- 2. Since 2012, while under receivership, IUSD has been stripped of local control, with all governing power (normally held by an elected school board) and administrative authority (normally held by a Superintendent of Schools) vested in the State Superintendent of Public Instruction, who in turn grants those powers to a State Administrator whom he appoints. This is obviously an unusual situation for a school district. Without a State Administrator in place, local district employees are not free to make decisions, sign certifications, etc., including AT&T's paperwork.
- 3. IUSD's state administrator announced his resignation in June 2015, and though he remained for several months, the District entered a period of great uncertainty. His replacement was appointed 9/17/15 but would not take office until 10/19/15 at which point, major changes could be expected in staffing, organization, policy and direction, etc. The entire team of District

administrators involved in Erate left: the Deputy Chief Superintendent (the Erate form certifier), the Chief Business Official, and the long-time Technology Director. The District's Letter of Agency for its Erate consultant was therefore invalid. For a period of several months (September through December), nothing beyond one or two emergency measures could be done in regard to Erate.

- 4. Applicable only in California, school districts are entitled to receive discounts from the California Teleconnect Fund (CTF) on top of Erate discounts. They must select the SPI method of invoicing for Erate discounts in order to receive CTF discounts.
- 5. AT&T requires an unusually lengthy, 60-day lead time to process discounts and invoice USAC a problem not encountered by the many Erate applicants who are able to use a BEAR. The district's SPI paperwork would have had to be filed before 12/27/15, which fell during Winter Break. As the invoice extension had been granted in late November, likely while the District was on Thanksgiving break, this effectively left the first three weeks in December as the only time the paperwork could be filed. This is a remarkably small window for action. In addition, it is unrealistic to expect administrators newly arrived into a very demanding situation to be focused on determining who should be responsible for certifying AT&T's paperwork.
- 6. When the problem with AT&T's lead time was discovered in January 2016, the District's Erate consultant, with a new LOA, called USAC's Client Service Bureau (CSB) for advice. The information she was given was completely false: that the district was able to request, and receive from USAC, a second invoicing extension. The consultant has been involved in the Erate program since its inception, has great experience working with the CSB, specifically discussed the new invoice rules, and would not likely have misheard or misunderstood the answer she was given. The consultant immediately filed an IDER then USAC took 35 days to dismiss that which by rule they had no ability to grant. Absent the false information from the CSB and USAC's unreasonable delay in dismissing the IDER, the District could have chosen to forego its California-specific CTF discount and timely file a BEAR. The District imagines that this level of misinformation from the Client Service Bureau and resulting dire consequences are unusual.

### **Conclusion:**

Inglewood USD understands and appreciates that the new invoicing deadline rules were established to promote more efficient program administration, and thus waivers are to be considered in the public interest only when extraordinary circumstances exist. As described

above, IUSD's circumstances were truly extraordinary and not likely to be duplicated by other applicants. In this particular case, which centers on a service provider potentially missing a procedural deadline by less than a month, it is hard to understand how denying up to \$186,654 in properly committed Erate refunds to a 97.5% "minority" (Latino and African American), heavily immigrant, high-poverty district trying to emerge from receivership is in the public interest, either of the Inglewood community or of Los Angeles County and the State of California, whose resources are being expended to annually audit, support, and administer the District.

IUSD therefore requests that the Bureau/Commission reconsider the decision and grant IUSD's waiver request as filed on April 21, 2016.

Thank you for your consideration of our request. Any questions, concerns, or requests for additional information should be addressed to:

Brenna Terrones Senior Erate Specialist Tech Ed Services, Inc. 310.625.0453 bterrones@techedservices.com

Respectfully submitted,

Vincent C. Matthews, Ed.D. State Administrator Inglewood Unified School District

Date: July 26, 2016